



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB5362

Introduced 01/26/06, by Rep. Jim Sacia

SYNOPSIS AS INTRODUCED:

35 ILCS 5/217 new

Amends the Illinois Income Tax Act. Creates a \$20,000 tax credit for each motor fuel retailer who installs one or more new fuel tanks and dispensing pumps that are used solely to dispense biodiesel blend that contains more than 5% biodiesel at his or her motor fuel retail store in Illinois during the taxable year. Provides that the credit applies to taxable years ending on or after December 31, 2006 and on or before December 30, 2011. Limits the credit to one year. Provides that the credit may not be carried forward or back and may not reduce the taxpayer's liability to less than zero. Effective immediately.

LRB094 16113 BDD 51352 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Income Tax Act is amended by adding
5 Section 217 as follows:

6 (35 ILCS 5/217 new)

7 Sec. 217. Single-year tax credits for installing biodiesel
8 fuel pumps.

9 (a) For taxable years ending on or after December 31, 2006
10 and on or before December 30, 2011, each motor fuel retailer
11 who installs, at his or her motor fuel retail store in Illinois
12 during the taxable year, one or more new fuel tanks and
13 dispensing pumps that are used solely to dispense biodiesel
14 blend that contains more than 5% biodiesel is entitled to a
15 credit against the tax imposed by subsections (a) and (b) of
16 Section 201 in the amount of \$20,000. The same taxpayer may
17 take this credit in only one taxable year.

18 (b) If the taxpayer is a partnership or Subchapter S
19 corporation, the credits are allowed to the partners or
20 shareholders in accordance with the determination of income and
21 distributive share of income under Sections 702 and 704 and
22 Subchapter S of the Internal Revenue Code.

23 (c) The credits may not be carried forward or back. In no
24 event shall a credits under this Section reduce the taxpayer's
25 liability to less than zero.

26 (d) The Department must adopt rules to administer this
27 Section.

28 Section 99. Effective date. This Act takes effect upon
29 becoming law.